Changes in unemployment insurance legislation in 1993

The U.S. Congress extended the duration of Emergency Unemployment Compensation Benefits; the District of Columbia, Washington, and Wyoming made extensive changes in their unemployment insurance laws

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Although a jobs recovery appears to be under way, many unemployed workers have yet to find a job. Therefore, the U.S. Congress extended the Emergency Unemployment Compensation program on March 4, 1993, by enacting the Emergency Unemployment Compensation Amendments of 1993 (P.L. 103-6). The amendments extended the program through October 1, 1993, with no new emergency benefits claims being accepted for weeks of unemployment beginning after October 2, 1993. Also, no individual will receive any payment of emergency benefits for weeks of unemployment beginning after January 15, 1994.

The bill extending benefits also required the U.S. Secretary of Labor to establish a program for encouraging the adoption and implementation of a system for profiling new claimants for regular unemployment compensation. The profiling system should identify those claimants who are most likely to exhaust their regular benefits and who may be in need of reemployment assistance services to make a successful transition to new employment.

The Emergency Unemployment Compensation program was further amended by the Unemployment Compensation Amendments of 1993 (P.L. 103-152). The amendments extended the emergency benefits program through February 5, 1994, for new claims, and provided for either 7 or 13 weeks of emergency benefits, depending on the unemployment rate in a State. They also stipulated that no individual will receive any payment of emergency benefits for weeks of unemployment beginning after April 30, 1994.

The bill extending benefits (P.L. 103-152) also requires that, as a condition of eligibility for regular unemployment benefits, an individual who has been referred to reemployment services pursuant to the profiling system described above must participate in these or similar services unless the State agency determines that the claimant has completed such services, or that there is justifiable cause for failure to participate.

In December, President Clinton signed into law the North American Free Trade Agreement Implementation Act. The implementing legislation permits States to establish a "self-employment assistance program." Under the assistance program, selected claimants may continue to receive periodic unemployment payments while engaged full time in establishing a business.

Alaska, Connecticut, Kansas, Rhode Island, Vermont, and Washington amended their unemployment insurance laws to provide an alternate "trigger" for the payment of Federal-State Extended Benefits. The alternate trigger will allow a State to "switch on" the payment of such benefits more easily because it is based on the total unemployment rate in the State. States currently trigger benefits based on changes in their insured unemployment rate—a measure of statewide unemployment among those covered by unemployment compensation.

Twenty-three States[1] amended their unemployment insurance laws for the period March 6, 1993, through December 31, 1994, to suspend the Federal-State Extended Benefits program eligibility requirements pertaining to active search

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for work, acceptance of suitable work, and requalification for receipt of benefits following a disqualification.

Otherwise, with the exception of the District of Columbia, Washington, and Wyoming, the jurisdictions made few significant changes to their unemployment insurance laws during 1993. Three jurisdictions—Connecticut, the District of Columbia, and Missouri—increased their taxable wage base, the amount of wages on which employers are subject to taxation for unemployment insurance purposes. Weekly benefit amounts were increased in Delaware, New Hampshire, Tennessee, and Wyoming, and six States amended their procedures for computing weekly benefits.

Following is a summary of some significant changes in State unemployment insurance laws during 1993.

Alabama

Benefits. The "active search for work" and eligibility requirements for receipt of Federal-State Extended Benefits were suspended for the period March 6, 1993, through December 31, 1994.

Alaska

Benefits. The Federal-State Extended Benefits law was amended to provide an alternative trigger for the payment of benefits. To be eligible for extended benefits, an individual may meet an alternative qualifying wage requirement of having base period wages of at least 1–1/2 times the wages earned in the highest quarter of the base period, instead of the current requirement that 40 times the weekly benefit amount have been earned. The active search for work and eligibility requirements for receipt of extended benefits were suspended for the period March 6, 1993, through December 31, 1994.

Arizona

Benefits. To be eligible for Federal-State Extended Benefits, an individual must have either total base period wages of 1–1/2 times the wages earned in the highest quarter of the base period, or total wages of 40 times the individual's recent weekly benefit amount.

Connecticut

Financing. The taxable wage base will increase from $7,100 to $9,000 beginning with calendar year 1994. For calendar years 1995 through 1998, the taxable wage base will be the prior year's wage base, plus $1,000. The taxable wage base on January 1, 1999, will be $15,000.

The State bond commissioner may authorize the issuance of revenue bonds as an advance to the State unemployment compensation fund or to repay advances made to the State fund by the Federal Government, not to exceed $1 billion outstanding at any time. If revenue bonds are issued, contributing employers will be assessed a special contribution which will be a percentage of the employer's current tax rate, and which will be deposited in the newly created unemployment compensation advance fund.

An employer's account will not be charged for benefits paid to an individual who was discharged for violating an employer's drug testing policy if the policy had been adopted and applied consistent with any State law or applicable Federal law.

Benefits. An individual's weekly benefit amount will be computed as 1/26 of the average total wages earned in the two highest quarters of his or her base period, instead of 1/26 of high-quarter wages earned in the base period. The Federal-State Extended Benefits law was amended to provide an alternative trigger for the payment of extended benefits.

Disqualification. An individual will be disqualified from receiving benefits if discharged or suspended for conduct constituting larceny of property or service in excess of $25 (previously larceny in excess of $50) or larceny of currency, regardless of the value. An individual who receives severance or separation payments will be disqualified from receiving unemployment benefits unless he or she was required to waive or forfeit a right or claim independently established by statute or common law against the employer as a condition of receiving the payment.

Administration. A nine-member advisory council was established to advise the administrator on matters concerning policy for, and operation of, the State employment security division.

Delaware

Financing. Transfers of employment and wage experience from a "predecessor" employer that is taken over by a "successor" employer will be required (currently optional) if there is a substantial continuity of ownership and management.

Benefits. The maximum weekly benefit amount increased from $245 to $265. If the balance in the State unemployment trust fund is less than $165 million but greater than $150 million, the maximum weekly benefit amount will be $245; if the balance is less than $150 million but equal to or greater than $90 million, the maximum weekly benefit amount will be $225; and if the trust fund balance is less than $90 million, the maximum weekly benefit amount will be $205. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

District of Columbia

Financing. The taxable wage base increased from $8,000 to $9,000. For calendar year 1994, the taxable wage base will increase to $9,500 unless the unemployment insurance fund balance exceeds $40 million as of September 30, 1993, in which case the wage base will be $9,000. For calendar year 1995, the taxable wage base will be $10,000 unless the fund balance exceeds $80 million as of September 30, 1994, in which case the wage base will be $9,500. In addition, if the 1994 wage base remains $9,000 according to the fund balance provisions above, the 1995 wage base will be $9,500. For calendar year 1996, the taxable wage base will be $10,000 unless the fund balance exceeds $120 million as of September 30, 1995, in which case the wage base will be $9,500.

The fund requirement for the most favorable employer contribution rate schedule to become effective was changed from at least 1.5 times benefits paid to at least 3.0 percent of payrolls. The fund requirements and range of rates for the least favorable employer contribution schedule were changed from a fund level that is less than 1.5 times benefits paid and lower than that of the preceding year, with rates ranging from 0.8 to 5.4 percent, to a fund level that is less than 0.8 percent of payrolls, with rates ranging from 1.9 to 7.4 percent. (The employer's contribution rate is established within the range of rates depending on his or her experience with unemployment.) The additional solvency tax of 0.9 percent was repealed.

Benefits. To qualify for benefits, an individual needs wages of $1,300 (was $300) in the high quarter of his or her base period, and $1,950 (was $900) for the base period as a whole. The formula for computing benefits changed from 1/23 of total wages in the base period, up to 55 percent of the State average weekly wage, to 1/26 of total wages paid in the base period, up to 50 percent of the State average weekly wage. The period used to compute the average weekly wage was changed to the 12 months ending March 31 (was June 30).

Disqualification. In reference to voluntary leaving and discharge for misconduct disqualifications, the most recent employer will be considered to be the employer for whom the individual last performed 30 days of work. A duration disqualification for gross misconduct was added to the District of Columbia Unemployment Compensation Act. To purge the gross misconduct disqualification, an individual needs to be employed in each of 10 successive weeks in which wages are earned equal to 10 times the weekly benefit amount. The discharge for misconduct disqualification was amended from a duration disqualification to a fixed disqualification of 7 weeks plus the week of filing of a claim, with a reduction of benefits of 8 times the weekly benefit amount. If an individual is awarded backpay, the employer must withhold benefits paid to the individual from the award, and pay that amount to the Director of the District Department of Employment Services. The District Department of Employment Services may enter into agreements with other States and the Federal Government to recover benefit overpayments made to individuals not entitled to them by offsetting the individual's weekly benefit amount.

Administration. The law was amended to specify that findings of fact, judgments, conclusions, or final orders made under the District Unemployment Compensation Act will not be binding in any other venue, and may not be used as evidence in any other action or proceeding, regardless of whether the prior action was between the same parties or involved the same facts.

Florida

Financing. An employer's experience rating account will not be charged with benefits paid as a result of a major disaster.

Hawaii

Financing. An employer's experience rating account will not be charged with benefits paid as a result of a major disaster if the benefit recipient would otherwise have been eligible for disaster benefits.

Benefits. To be eligible for Federal-State Extended Benefits, an individual must have, in addition to 20 weeks of employment in his or her base period, total base period wages of 40 times the most recent weekly benefit amount or 1–1/2 times his or her earnings in the high quarter of the base period. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. The Hawaii Department of Labor and Industrial Relations may enter into agreements with other States and the Federal Government to recover benefit overpayments made to individuals not entitled to them by offsetting the individuals' weekly benefit amount.

Idaho

Benefits. To be eligible for Federal-State Extended Benefits, an individual must have had either 20 weeks of employment in his or her base period, base period wages of at least 1–1/2 times the wages earned in the high quarter of the base period, or base period wages equal to 40 times the weekly benefit amount. An individual who experiences a medically verifiable temporary total disability may elect an alternate base period of the first four of the last five completed calendar quarters preceding the disability if he or she filed a claim within 3 years of the disability and no longer than 6 months after the end of the disability. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Illinois

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Indiana

Financing. The computation date for determining an employer's rate of contributions was changed from September 30 to June 30.

Benefits. For the period July 3, 1994, through July 3, 1995, the weekly benefit amount may not exceed $202. An individual's weekly benefit amount will be computed as 5 percent of the first $1,000 in wage credits in the high quarter of his or her base period, and 4 percent of the remaining wage credits in the high quarter. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Iowa

Financing. The maximum employer contribution rate for the most favorable schedule was changed from 5.4 percent to 7.0 percent. The special administrative surcharge of 0.1 percent of Federal taxable wages, which was scheduled to terminate in 1994, has been extended through 1998.

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Kansas

Benefits. When an individual's weekly benefit amount for partial benefits is computed, the amount of weekly earnings to be disregarded will be 25 percent of the individual's weekly benefit amount. The Federal-State Extended Benefits law was amended to provide an alternative trigger for the payment of benefits. To be eligible for extended benefits, an individual may satisfy the earnings requirement by earning an amount equal to or exceeding 40 times the weekly benefit amount in his or her base period. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. An individual's refusal to submit to a chemical test will be admissible evidence to prove misconduct if the test was required by law and constituted a required condition of the individual's employment.

Maine

Financing. Employers will be charged an additional contribution of 0.07 percent for 1993 and 0.08 percent for 1994 for fund solvency. The maximum contribution rates for the most and least favorable schedules increased to 6.4 percent and 7.5 percent, respectively.

Benefits. The maximum weekly benefit amount will be frozen at $198 until May 31, 1995. However during the period April 1, 1993, through December 31, 1994, a claimant's weekly benefit amount will be reduced by $6, so that the maximum weekly benefit amount will be between $192 and $288. The expiration date of the temporary extended benefit program for dislocated workers who participate in retraining programs was extended to March 31, 1995. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Maryland

Financing. The computation date for determining an employer's rate of contribution

was changed from September 30 to July 1. The new computation date will take effect July 1, 1995, and will apply to the rate of contributions for calendar year 1996.

Benefits will be charged proportionately to all base period employers. However, the principal employer will be charged for shutdowns for his or her own convenience, and on behalf of those employers who participate in worksharing programs. Previously, benefits were charged to employers who paid 75 percent of an individual's base period wages; if there were no principal employer, benefits would be charged proportionately to all base period employers.

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. A retirement benefit in the form of a lump sum paid as a result of a layoff or shutdown, when placed in a qualified retirement plan by the claimant within 30 days of receiving it, is not deductible from unemployment benefits for the claimant's period of eligibility.

Massachusetts

Disqualification. A worker will not be disqualified from receiving benefits as the result of an employer's lockout,[2] whether or not there is a stoppage of work, if the employee is ready, willing, and able to work under the terms and conditions of the existing or expired contract pending negotiation of a new contract.

Minnesota

Benefits. After an individual has established a benefit year, it may be withdrawn if benefits have not been paid and benefit credit has not been claimed.

Disqualification. The Minnesota Jobs and Training Law was amended to apply a denial of benefits between terms and during vacation periods to individuals employed by an educational service agency. An educational service agency is a government agency or entity established and operated exclusively to provide services to educational institutions. An individual will be disqualified from benefits for failure to accept an offer of suitable reemployment from either a base period employer, or an employer who provided employment following the base period but prior to the date on which a claim for benefits was filed. Previously, the reemployment must have provided substantially the same or better hourly wages and conditions of work as were previously provided by the employer during the most recent period of employment for the individual to be disqualified for failing to accept work. An individual will not be disqualified for voluntary leaving if he or she accepted employment that represented a substantial departure from his or her customary occupation and experience (which normally would be unsuitable), and within 30 days left the work due to: (1) reasons that would have caused the work to be unsuitable, or (2) if in commission sales, failure to earn gross commissions averaging an amount equal to or greater than the individual's weekly benefit amount.

Administration. Testimony obtained at an appeal hearing or determination may not be used or considered in any civil, administrative, or contractual proceeding, except by a local, State, or Federal human rights group with enforcement powers, unless the proceeding is initiated by the Minnesota Department of Jobs and Training.

Mississippi

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Missouri

Financing. The taxable wage base beginning calendar year 1994 will be $8,500. For calendar year 1994, a contributing employer's rate of contribution will be increased by 40 percent, then increased by another 0.3 percent.

For the period January 1, 1994, through December 31, 1995, reimbursing employers[3] will be liable for an additional surcharge. The surcharge rate will be the prime rate on corporate loans posted by at least 75 percent of the Nation's 30 largest banks on November 30 of the previous year. The actual surcharge imposed on an individual employer is the surcharge rate multiplied by the total benefit payments charged to the employer's account.

For calendar year 1996, reimbursing employers will be liable for the total benefit payments chargeable to their unemployment insurance accounts, plus one-third (effective calendar year 1997, two-thirds) of the total benefit payments noncharged to their accounts. The remaining two-thirds (effective calendar year 1997, one-third) of the benefit payments not charged to the employers' accounts shall be paid by the Missouri unemployment compensation trust fund.

The provisions on noncharging of benefits will not apply to reimbursing employers, effective January 1, 1998.

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Montana

Financing. A covered employer's experience rating account will not be charged for benefits paid if the base period employer was ordered to State or Federal active duty in the National Guard or the military reserves.

Benefits. To be eligible for Federal-State Extended Benefits, an individual must have earned base period wages of not less than 40 times his or her most recent weekly benefit amount, 1–1/2 times his or her earnings in the high quarter of the base period, or insured wages in 20 weeks of work. The active search for work and eligibility requirements for receipt of extended benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. An individual attending an adult basic education class for 20 hours a week or less while laid off from work will not be disqualified from receiving benefits if he or she is willing to return to work when notified. When the State agency collects benefit overpayments through an offset against future benefits, that offset may not exceed 50 percent of the individual's weekly benefit amount, unless the individual gives written consent.

Nevada

Benefits. An individual who received temporary total or partial disability compensation or payment for rehabilitative services under a workers' compensation law may elect an alternative base period of the first four of the last five completed calendar quarters preceding the disability, if he or she files a claim within 3 years after the disability period begins, and not later than the fourth calendar week of unemployment after the end of the disability period. However, the elected base period will be the first four completed calendar quarters if a calendar quarter was used in a previous benefit year. To be eligible for Federal-State Extended Benefits, an individual must have earned base period wages of not less than 40 times his or her most recent weekly benefit amount, 1–1/2 times his or her earnings in the high quarter of the base period, or wages in 20 weeks of full-time employment.

Administration. The agency that administers the Nevada Unemployment Compensation Law will be known as the Employment Security Division, headed by an Administrator.

New Hampshire

Coverage. Services performed by domestics in a private home, local college club, or local chapter of a college fraternity or sorority will be covered employment, if required by Federal law.

Benefits. The maximum weekly benefit amount increased from $188 to $196 and on March 27, 1994, it will increase to $204. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. An individual who terminates employment in good faith to accept better full-time employment, and who subsequently becomes unemployed due to unavailability of work before earning the requalifying wages, will not be disqualified from receiving benefits.

New Mexico

Benefits. To be eligible for Federal-State Extended Benefits, an individual must have base period earnings of not less than 40 times his or her most recent weekly benefit amount, 1–1/2 times his or her earnings in the high quarter of the base period, or wages in 20 weeks of work in the base period.

Disqualification. The pension offset provision was amended to provide that if an individual is receiving Federal Social Security payments, his or her contribution to the Social Security system must be taken into account, and no reduction in the weekly unemployment benefit amount will be made. An individual is not considered unemployed during any week in which he or she receives an award of backpay. If an individual receives an award or settlement of backpay resulting from an action or grievance concerning a discharge while receiving unemployment benefits, the individual must repay the unemployment benefits unless the amount of the backpay award or settlement was reduced by the amount of unemployment benefits.

New York

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

North Carolina

Coverage. The exclusion from coverage of aliens performing agricultural labor was extended to January 1, 1995.

Benefits. Made permanent was a provision for extending the base period for an individual who had insufficient wages to establish a claim for benefits because of a job-related injury for which he or she received workers' compensation. Also made permanent was the provision for noncharging to any base period employer of benefits paid on the basis of the extended base period. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. A new disqualification of 5 weeks was added to the North Carolina Employment Security Law for any individual who voluntarily leaves work to accompany a spouse to a new place of residence that is too far removed for the individual to reasonably continue his or her work. An employee will be disqualified for the duration of unemployment for refusal to return to work for a former employer after being recalled within 4 weeks from a layoff, or when recalled in any week in which the work search requirements have been waived.

North Dakota

Financing. An employer's unemployment insurance account will not be charged for benefits paid to an individual who was subsequently determined not entitled to receive benefits.

Benefits. To qualify for benefits, an individual needs to have earned wages of 1–1/2 times (was 1–3/10) the high-quarter earnings in his or her base period. The ratio of base period wages to high-quarter wages used for determining the duration of benefits is 1.5 (formerly 1.3) to 3.2 or more.

Ohio

Financing. An employer's experience rating account will not be charged for benefits paid as a result of a major disaster or as a result of a reversal of a decision on benefit eligibility.

Oklahoma

Coverage. The Oklahoma Employment Security Commission may terminate the election of unemployment insurance program coverage of any employer who fails to abide by the provisions of the Oklahoma Employment Security Act, or who becomes delinquent in the payment of unemployment tax contributions, interest, penalties, or fees.

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. An individual who refuses to undergo drug or alcohol testing or who tests positive for drugs or alcohol may be discharged for misconduct, and therefore disqualified for benefits.

Oregon

Administration. The agency that administers the Oregon Employment Department Law will be known as the Oregon Employment Department.

Rhode Island

Financing. The most recent employer will be charged for benefits paid to an individual. However, if the individual works for two or more employers concurrently, benefits shall be charged to the employers' accounts proportionately, based upon the ratio of base period wages paid by each employer to the individual's total base period wages. The most recent employer will be the last employer for whom an individual worked for at least 4 weeks, and in each of those 4 weeks had earnings of at least 20 times the State minimum hourly wage.

Benefits. The Federal-State Extended Benefits law was amended to provide an alternative trigger for the payment of benefits. To be eligible for extended benefits, an individual must have earnings in his or her base period of not less than 40 times his or her most recent weekly benefit amount, 1–1/2 times his or her earnings in the high quarter of the base period, or wages in 20 weeks of work in the base period.

Disqualification. The pension offset provision was amended to exclude from offset that part of a pension or retirement payment that was contributed by the individual.

South Carolina

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. An individual who is otherwise eligible for benefits will not be de-

nied benefits for any week solely because he or she is required to appear in court as a witness or is serving as a juror. However, unemployment benefits will be reduced by any per diem received for services as a juror.

South Dakota

Financing. The contribution rate for new employers is 1.2 percent (6.0 percent for employers in construction services) for the first year, and 1.0 percent (3.0 percent for employers in construction) thereafter if the employer maintains a positive account balance until experience rated according to his or her record with regard to unemployment. The rate range for the South Dakota special investment fee tax will now include a 0.0-percent rate. Formerly, the lowest rate was 0.05 percent.

Benefits. The maximum weekly benefit amount will be computed as 50 percent (was 62 percent) of the State average weekly wage in covered employment. An individual who received temporary total disability payments under a workers' compensation law may use a base period of the first four of the last five completed calendar quarters preceding the disability if a claim for unemployment benefits is filed within 24 months of the date on which the disability was incurred. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Tennessee

Coverage. The exclusion from coverage of aliens performing agricultural labor was extended to January 1, 1995.

Financing. The requirements for the most favorable contribution rate schedule to be triggered are that the trust fund balance must be at least $550 million (was $500 million) with a minimum contribution rate of 0.10 percent (was 0.15 percent). An employer's experience rating account will not be charged with benefits paid to an individual taking approved training.

Benefits. The maximum weekly benefit amount increased from $170 to $185, and will increase to $200 on July 3, 1994. An individual will not be eligible for benefits if his or her base period earnings outside the highest calendar quarter are less than the lesser of 6 times the weekly benefit amount or $900. The Tennessee Employment Security Law was amended to permit the Governor to trigger on Federal-State Extended Benefits, allowing federally funded benefits to become available to individuals who have exhausted their regular unemployment benefits.

Administration. The law was amended to specify that findings of fact, judgments, conclusions, or final orders made under the Tennessee Employment Security Law will not be binding in any other venue, and may not be used as evidence in any other action or proceeding, regardless of whether the prior action was between the same parties or involved the same facts.

Texas

Financing. For the period January 1, 1994, through December 31, 1999, the contribution rate for new employers and the standard rate of contribution will be reduced to 2.6 percent. The Smart Jobs Fund Program was established to enhance employment opportunities and to meet the needs of existing and new industries in the State. The program will be financed by a 0.1-percent employment training investment tax, which will take effect in 1995 and will expire at the end of 1999.

Disqualification. An employee of a temporary help firm will be disqualified from benefits for failure to contact the temporary help firm for reassignment upon completion of an assignment, unless the employee had not been advised of the obligation to contact the employer, and that benefits would be denied for failure to do so.

Utah

Disqualification. When an individual is discharged for gross misconduct, all of his or her wage credits established prior to the discharge will be cancelled.

Administration. The period during which an individual may appeal the decision of an administrative law judge on a claim for benefits was increased from 10 days to 30 days after mailing of the determination. The period for appealing a board of review decision also was increased from 10 days to 30 days after mailing or after delivery of the decision.

Vermont

Benefits. The Federal-State Extended Benefits law was amended to provide an alternative trigger for the payment of extended benefits.

Virginia

Coverage. The exclusion from coverage of aliens performing agricultural labor was extended to January 1, 1995.

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Disqualification. If an individual's separation from work is due to an unlawful act for which he or she is convicted, the individual will be disqualified from receiving benefits after release from prison or jail until he or she performs work for 30 days and subsequently becomes separated from the employment.

Washington

Financing. For tax years 1994 through 1997, the minimum contribution tax rate for the most favorable schedule will be 0.36 percent. For tax year 1994, the requirement for the most favorable schedule to take effect is that the fund level be at least 3.90 percent of payrolls. For calendar years 1994 through 1997, most contributing employers will be required to pay a new dislocated worker tax of 0.12 percent of taxable wages, to be deposited in the Washington Employment and Training Trust Fund. Payment of the dislocated worker tax will not increase an employer's total contribution rate for a year, because contribution rates (except maximum rates) will be reduced by 0.12 percent for calendar years 1994–97.

Benefits. The maximum weekly benefit amount will be determined annually as 70 percent (rather than 55 percent) of the average weekly wage. The maximum weekly benefit amount will no longer be computed as 60 percent of the average weekly wage when the fund balance reaches a specified level. The Federal-State Extended Benefits law was amended to provide an alternative trigger for the payment of extended benefits. To be eligible for extended benefits, an individual must have earned wages in his or her base period of at least 40 times the weekly benefit amount or 1–1/2 times wages earned in the high quarter of the base period. The active search for work and eligibility requirements for receipt of extended benefits are suspended for the period March 6, 1993, through December 31, 1994. The date after which no new claims will be accepted for additional benefits available to timber workers who reside in certain counties has been extended from July 1, 1993, to July 1, 1995. An individual's additional benefits will be 104 (was 52) times the weekly benefit amount, reduced by the total amount of regular and extended benefits paid, or deemed paid, in the benefit year. Washington has established a special dislocated worker program, which will provide job search assistance or job training for dislocated workers.

Disqualification. The disqualification for voluntary leaving without good cause, discharge or suspension for misconduct connected with the work, or refusal to apply for or accept suitable work or to return to customary self-employment begins with the first day of the week during which the disqualifying act occurs. It continues for 5 calendar weeks and until the individual has obtained work and earned wages equal to 5 times the weekly benefit amount. No disqualification will apply to an individual who left work to relocate with a spouse whose employment is outside the existing labor market area, if the individual remained employed as long as was reasonable prior to the move. An individual who is convicted of a felony or gross misdemeanor connected with the work will have all hourly wage credits toward unemployment benefits which were based on that work canceled. The Washington Employment Security Act was amended to define misconduct as an employee's act or failure to act in willful disregard of the employer's interest, where the effect of the act or failure to act is to harm the employer's business.

West Virginia

Coverage. The exclusion from coverage of aliens performing agricultural labor was extended to January 1, 1995.

Benefits. The active search for work and eligibility requirements for receipt of Federal-State Extended Benefits are suspended for the period March 6, 1993, through December 31, 1994.

Wyoming

Benefits. The maximum weekly benefit amount increased from $200 to $250. To qualify for benefits, an individual must, in his or her base period, have earned wages equal to 8 percent of the statewide average annual wage (rounded to the lowest $50) and 1-1/4 times the earnings in the high quarter of the base period. The requirement that an individual must also have earned the equivalent of 5 percent of the State average annual wage in his or her high quarter to qualify for benefits was deleted. Benefit rights may be frozen for any continuous period up to 36 months during which a claimant received workers' compensation, provided the claimant files a claim within 60 calendar days (was within 4 weeks) after termination of an illness or injury. To qualify for Federal-State Extended Benefits, an individual needs to have earned total base period wages of at least 1-1/2 times his or her wages in the high quarter of the base period.

Disqualification. An individual who has been discharged for misconduct will be disqualified from receiving benefits until he or she becomes reemployed and works for 12 weeks, and earns wages equal to 12 times the weekly benefit amount. The provision requiring the forfeiture of all accrued benefits if an individual is discharged for misconduct or for fraud in connection with a claim for benefits or receipt of disqualifying income was deleted from the State law.

Penalties. An individual who fraudulently received benefits will be assessed a penalty equal to 5 percent of the overpaid amount, and an additional 5 percent on the remaining unpaid balance at the end of every month. Previously, an individual was subject to a 1-percent interest rate on the overpaid amount. In cases of fraudulent misrepresentation in which the amount of fraudulently received benefits is $500 or more, an individual will be guilty of a felony punishable by a fine up to $5,000, imprisonment for up to 5 years, or both. □

Footnotes

[1] These include Alabama, Alaska, Delaware, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Mississippi, Missouri, Montana, New Hampshire, North Carolina, New York, Oklahoma, South Carolina, South Dakota, Virginia, Washington, and West Virginia.

[2] A lockout shall exist when an employer fails to provide employment to his or her employees with whom he or she is engaged in a labor dispute, either by physically closing the plant or informing the employees that there will be no work until the labor dispute has terminated.

[3] Most employers are termed contributing employers because they contribute moneys to the unemployment insurance program according to a predetermined rate established in accordance with their, or their industry's, experience with unemployment. Other employers, however, are allowed to reimburse the unemployment fund for individual claims directly, rather than make contributions according to a schedule. In general, these employers are to be nonprofit organizations and State and local government entities.